
Important Questions and Answers For New Model Contract Terms and Conditions

- **Who should use the new model terms and conditions?**

All executive and judicial branch state agencies.

- **For what type of transactions should these contracts to be used?**

The contracts should be used on all information technology purchased goods and services contracts under the authority of RCW 43.105.041. Separate models are included for software, hardware, and purchased services.

- **What is the effective date for the use of the model contracts?**

The standard contracts were approved by the Information Services Board (ISB) at its October 30, 1996, meeting. The new model contracts should be used on all transactions initiated after October 30, 1996.

- **Do the new model contracts require Assistant Attorney General approval?**

Yes. All contracts should be reviewed and approved by the agency's Assistant Attorney General. The new contract terms and conditions are clearer, easier to use, and should reduce negotiation and questions about contracts.

- **What is the *Minimum* dollar amount covered by these agreements?**

Applicable terms and conditions should be used on all purchases requiring a contract. More terms are recommended for purchases over \$10,000. However, Appendix B states that "low volume, and/or off the shelf, or small dollar magnitude" agreements which "do not involve continuing payments or ongoing relationships with the vendor" may be completed using a purchase order developed by General Administration or by an agency if it meets approval by the Assistant Attorney General for that agency. It is recommended that when using a purchase order for software the Year 2000 language be included.

- **Can the "required" terms be modified to fit our situation?**

Yes. However, the intent must still be covered. Example: if your agency operates exclusively in Seattle you may change the venue to King County, although the required clause states Thurston County. Assistant Attorney General approval for such changes is required.

- **Do the new model contracts require vendor ID information?**

Yes. Vendors must provide their Uniform Business Identifier (UBI) and Federal Employer Identification Number (FEIN) or Social Security Number (SSN) as verification the vendor is authorized to conduct business in Washington State.

-
- **In the *Contract Term* clause (clause 2), is the “not to exceed five years” term required for all purchases?**

No. The “not to exceed five years” term is strongly recommended, particularly with the fast pace of technology changes. However, it may be modified to fit a particular transaction with Assistant Attorney General approval.

- **What is the intent of clause 20 *Termination For Withdrawal Of Authority*?**

This clause addresses any potential legislative changes in the authority of an agency ~~to~~ continue performing all or some of its past functions. Should legislative authority be withdrawn, this clause provides a path for termination of the agreement.

- **In clause 28 *Failure To Perform*, the contractor has 15 days in which to correct a failure. In the past the contractor had 30 days. Why the change?**

This clause only applies to contractor failure to perform, not state. It may be changed to a longer or shorter period if it's in the agency's best interest. This clause currently reads 30 days in the hardware and software models, since disputes in these areas often take longer to resolve, but 15 days for services.

- **Is the Schedule C Escrow Agreement required to be used as presented in the model?**

No. The escrow agreement is offered as a starting point and need not be used verbatim. Additionally, it is not required that an escrow agreement be used.

- **Whom do I contact for more information about the standard contracts?**

The Office of Information Technology Oversight at (360) 902-3557.

- **How do I get an electronic copy of the new model terms and conditions?**

The new model can be downloaded from the Internet at:

http://www.wa.gov/DIS/OITO/it_manual/index.html

Or, call the Office of Information Technology Oversight at (360) 902-3557 for a paper or diskette version to be mailed to you.